

Message Text

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ORIGIN EB-07

INFO OCT-01 EA-06 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00

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DRAFTED BY EB/AN:WBCOBB:TP

APPROVED BY EB/OA:MHSTYLES

CAB - MR. HORNEMAN

EA/J - MR. PIEZ

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R 092108Z APR 75

FM SECSTATE WASHDC

TO AMEMBASSY TOKYO

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E.O. 11652: N/A

TAGS: EAIR, JA

SUBJECT: CIVAIR: PROPOSED CBIT FARES

REF: TOKYO 4421

1. USG DOES NOT BELIEVE OUR INTERESTS WOULD BE APPROPRIATELY PRESERVED IF WE ALLOW CBIT ISSUE TO DRIFT. THEREFORE, TO PUT OUR VIEWS MORE FORMALLY ON THE RECORD WE SUGGEST THAT EMBASSY DELIVER AIDE MEMOIRE ALONG FOLLOWING LINES TO FONOFF AT APPROPRIATE LEVEL.

2. QUOTE: THE UNITED STATES GOVERNMENT WOULD LIKE TO PRESENT ITS VIEWS ON THE CONTRACT BULK INCLUSIVE TOUR FARES (CBIT) WHICH HAVE BEEN FILED BY US CARRIERS FOR AIR TRANSPORTATION FROM JAPAN TO THE UNITED STATES. THE CBIT FARES HAVE BEEN FILED WITH THE US CIVIL AERONAUTICS BOARD AND THE JCAB AND HAVE BEEN IN EFFECT SINCE APRIL 1, 1975. ALTHOUGH THE GOVERNMENT OF JAPAN HAS INDICATED ITS DISSATISFACTION WITH THE SUBJECT FARES

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AND HAS IMPLIED THAT THEY SHOULD BE MUTUALLY AGREED UPON

AMONG THE UNITED STATES AND JAPANESE CARRIERS, IT HAS NOT COMPLIED WITH THE APPLICABLE PROVISIONS OF THE UNITED STATES-JAPAN AIR TRANSPORT SERVICES AGREEMENT OF

AUGUST 11, 1952, AS AMENDED. ACCORDINGLY, THE UNITED STATES GOVERNMENT IS UNABLE TO ACCEPT THE PROPOSAL THAT THE EFFECTIVENESS OF THE CBIT RATES BE DELAYED PENDING THE POSSIBLE MUTUAL ACCEPTANCE BY THE CARRIERS INVOLVED.

THE USCAB ACCEPTED THE PAN AMERICAN WORLD AIRWAYS CBIT FARES FILING IN PART TO ASSIST THE CARRIER TO MEET THE ILLEGAL PRICE CUTTING WHICH FROM ALL INDICATIONS IS WIDESPREAD IN THE JAPANESE MARKET AND TO ARRIVE AT A REALISTIC FARE LEVEL. THE USCAB IS INCREASINGLY CONCERNED WHEN CARRIERS ENGAGE IN PRACTICES WHICH CIRCUMVENT THEIR TARIFFS, DISCRIMINATE AGAINST SEGMENTS OF THE TRAVELING PUBLIC AND WHICH ARE INIMICAL TO A VIABLE AIR TRANSPORT SYSTEM NOTWITHSTANDING THE NATIONALITY OF THE CARRIER WHO ENGAGES IN SUCH PRACTICES. WE BELIEVE THAT THIS IS A SERIOUS PROBLEM WHICH WARRANTS THE IMMEDIATE ATTENTION OF THE APPROPRIATE JAPANESE AUTHORITIES.

THE USCAB IS, OF COURSE, PREPARED TO ENTERTAIN A REQUEST FROM THE JAPANESE DESIGNATED CARRIER TO FILE COMPARABLE FARES. END QUOTE.

3. EMBASSY WILL NOTE THAT WE DO NOT WISH AT THIS TIME TO TAKE INITIATIVE WITH RESPECT TO CONSULTATIONS. KISSINGER

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Message Attributes

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